PB Washington Update - June 28, 2012 - Interim Update - PM Edition

Correction: the previous issue of the PB Washington Update sent out earlier today was incorrect in saying that a majority of the conferees have signed the conference report. The conferees are still in the process of signing onto (approving) the final conference report. Although a number of House Democratic conferees are very angry about not be included in the negotiations, at this time we expect a majority of the conferees to ultimately sign the agreement.

Here is some additional information about what is in the final bill and what is not:

The bill includes $82B for the highway program and $21.3B for the transit program over two years – FY'13 and FY'14. The obligation ceiling for the highway program would go from $39.14B in FY'12 to $39.69B in FY'13 to $40.25B in FY'14.

The new law will take the name of the Senate bill – MAP-21 – Moving Ahead for Progress in the 21st Century.

TIFIA – provides $750M in FY'13 and $1B in FY'14 (up from the current $120M per year), increases the maximum share of project cost from the current 33% up to 49%, and provides for a set-aside of funding for projects in rural areas.

Projects of National and Regional Significance (PNRS) – provides $500M in FY'13 and $0 in FY'14 from the General Fund, not the Highway Trust Fund and would therefore require an annual appropriation.

Categorical Exclusions (CE) from the NEPA process are established for emergency projects and disasters, in existing ROW, for projects with less than $5M in federal funds and for projects with a total cost of less than $30M if the federal funds are less than 15% of the total cost.

The Transportation Enhancements (TE) program is renamed Transportation Alternatives with some modification but with continued suballocation to MPOs and some flexibility for states to opt out.

In the transit title, the New Starts program is renamed the Fixed Guideway Capital Investment Grants program and the bus and Rail Mod programs are renamed the State of Good Repair Program. The bill streamlines the New Starts process and provides expedited review for projects under $100M. A new category for Core Capacity projects is created under New Starts in which eligible projects must follow the same process as New Starts and must achieve at least a 10% increase in capacity along the corridor. There is a modified definition of BRT to promote broader use of BRT and incentives for BRT projects that incorporate elements of fixed guideway.

There is a new pilot grant program to encourage Transit Oriented Development (TOD) and a new demonstration program for projects with significant amounts of local or private financing.

The Senate Commerce Committee's rail title (Title IV) and freight title (Title III) were dropped, although some of the EPW Committee freight provisions were retained which call for development of a National Freight Strategic Plan and state freight plans. The hope is to move separate rail and freight bills at a later time.

The Bingaman amendment to exclude privatized highway mileage from a state's calculation of highway formula funds and to lengthen amortization of investments in private toll roads was dropped from the bill.

The bill does not include Keystone Pipeline or coal ash provisions, but does include the RESTORE Act to related to Gulf Coast restoration and a somewhat modified RAMP Act related to spending the balance in the Harbor Maintenance Trust Fund.

Most of the Senate tax provisions were dropped including the pre-tax transit commuter benefit parity with parking and lifting the private activity volume cap for sewage and water facility bonds.

The ACEC initiated language urging state DOTs to contract out more to the private sector was dropped.